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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

XEROX CORPORATION,

Plaintiff,

v.

ORANGE BOARD OF EDUCATION,

Defendant.

DOCKET NO. _____

CIVIL ACTION

COMPLAINT

Plaintiff, Xerox Corporation (“Xerox”), by and through its undersigned counsel, hereby submits this Complaint against Orange Board of Education (“the Board”) in support thereof, avers as follows:

PARTIES

1. Xerox is a company organized and existing pursuant to the laws of the State of New York, and has corporate headquarters located at 201 Merit 7, Norwalk, Connecticut 06851-1056.

2. The Board is a municipal public schoolboard organized and existing pursuant to the rules and laws of the New Jersey, with its principal place of business located at 451 Lincoln Avenue, City of Orange, NJ 07050, and as such, is within the District of New Jersey.

JURISDICTION AND VENUE

3. This Court has jurisdiction over this action, under 28 U.S.C. § 1332, as there is diversity in citizenship and there is an amount in controversy that exceeds \$75,000.

4. This judicial district is the proper venue for this proceeding pursuant to 28 U.S.C. § 1391, as the Defendant is a New Jersey municipal entity and does business in the District of New Jersey, and as a substantial part of the events giving rise to the cause of action, including signing of the contracts at issue, occurred in the District of New Jersey.

STATEMENT OF FACTS

Lease Agreement 1

5. On or about July 22, 2015, the Board entered into a Lease Agreement (hereinafter “Lease 1”) with Xerox (a true and correct copy is attached hereto as **Exhibit A** for the following office equipment (hereinafter “Equipment 1”):

a. V80P
S/N: XBN796963

b. V80EXP
S/N: XAF297487

6. Upon information and belief, the Board used Equipment 1 at its office located at 451 Lincoln Avenue, City of Orange, NJ 07050.

7. Pursuant to Lease 1, the Board was obligated to pay a minimum monthly charge of \$3,653.29 for the use and maintenance of Equipment 1.

8. Equipment 1 has not been surrendered.

9. Per Lease 1, the base billing through the end of the original term was \$7,306.58. The extended base billing is \$29,226.32, with a residual option to purchase invoice of \$15,440.00. A total of \$51,972.90 is owed on Lease 1.

Lease Agreement 2

10. On or about July 22, 2015, the Board entered into a Lease Agreement (hereinafter “Lease 2”) with Xerox (a true and correct copy is attached hereto as **Exhibit B** for the following office equipment (hereinafter “Equipment 2”):

- a. XC70
S/N: E2B652799
- b. C70EFI
S/N: R7B550811
- c. XC70
S/N: E2B652739
- d. C70EFI
S/N: R7B550815

11. Upon information and belief, the Board used Equipment 2 at its office located at 451 Lincoln Avenue, City of Orange, NJ 07050.

12. Pursuant to Lease 2, the Board was obligated to pay a minimum monthly charge of \$822.90 for the use and maintenance of Equipment 2.

13. Per Lease 2, the base billing through the end of the original term was \$1,645.80. The extended base billing is \$7,623.62, with a residual option to purchase invoice of \$4,740.00. A total of \$14,009.42 is owed on Lease 2.

Lease Agreement 3

14. On or about July 22, 2015, the Board entered into a Lease Agreement, as well as a Maintenance Agreement, (collectively “Lease 3”) with Xerox (a true and correct copy is attached hereto as **Exhibit C** for the following office equipment (hereinafter “Equipment 3”):

- a. DPS144
S/N: FLX000618 and AC8500771

- b. DPS 144
S/N: FLX000606 and AC850772

15. Upon information and belief, the Board used Equipment 3 at its office located at 451 Lincoln Avenue, City of Orange, NJ 07050.

16. Pursuant to Lease 3, the Board was obligated to pay a minimum monthly charge of \$11,735.87 for the use and maintenance of Equipment 3.

17. Per Lease 3, the base billing through the end of the original term was \$35,207.61. The extended base billing is \$117,358.70, with a residual option to purchase invoice of \$57,903.00. A total of \$210,469.31 is owed on Lease 3.

18. The Board, under paragraph 20 of the Lease Agreements, entitled “DEFAULT AND REMEDIES” is in default if it does not pay any amount within fifteen (15) days of its due date.

19. Xerox, under paragraph 20 of the Lease Agreements, entitled “DEFAULT AND REMEDIES”, upon default of The Board “may require immediate payment, as liquidated damages for loss of bargain and not as a penalty, of: (a) all amounts then due, plus interest on all amounts due from the due date until paid at the rate of one and one-half percent (1.5%) per month (not to exceed the maximum amount permitted by law); (b) the remaining Lease Minimum Payments in the Agreement’s term less any maintenance services and consumable supplies components thereof as reflected on Xerox’s books and records; (c) the applicable Purchase option; and (d) all applicable Taxes.”

20. The Board, pursuant to paragraph 20 of the Lease, entitled “DEFAULT AND REMEDIES” agreed, and is obligated, to pay to Xerox reasonable attorneys’ fees and any costs associated with any action to enforce the Lease.

COUNT I: BREACH OF CONTRACT (LEASE AGREEMENTS)

21. Plaintiff incorporates by reference Paragraphs 1 through 20, as if set forth at length herein.

22. Xerox and the Board entered into valid contracts (the Lease Agreements), wherein the Board agreed to make monthly payments to Xerox for the use of Equipment 1 through 3 (collectively the “Equipment”).

23. The Board has defaulted on its obligations under the terms of the Lease Agreements for failure to fulfill its payment obligations.

24. Xerox has performed its obligations under the Lease Agreements, or is otherwise excused from performance based on the Board’s breach.

25. As a direct and proximate result of the Board’s breach of the Lease Agreements, Xerox sustained significant damages in the amount of \$276,451.63, plus accruing interest and fees.

26. Moreover, pursuant to the terms of the Lease Agreements, the Board has expressly agreed, and is obligated to pay Xerox’s reasonable attorney fees and costs of any action instituted upon the Board’s default.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Xerox Corporation, demands judgment against Defendant, Orange Board of Education in the amount of \$276,451.63, as well as reasonable attorney fees and costs and such other relief as the Court may deem equitable and just.

Respectfully submitted,

WONG FLEMING, P.C.

Attorneys for Plaintiff, Xerox Corporation

Dated: March 9, 2022

By: /s/ James K. Haney
James K. Haney